

INTELLECTUAL CAPITAL

MATERIALITY
ASSESSMENT

GOVERNANCE

MANUFACTURING
CAPITAL

NATURAL
CAPITAL

HUMAN
CAPITAL

INTELLECTUAL
CAPITAL

SOCIAL & RELATIONSHIP
CAPITAL

Intellectual Capital

We are pioneering new advances in technologies, products, and services that define L.B. Foster Company as a solutions leader in our served markets. We specialize in supplying a unique combination of products and solutions to transportation and infrastructure industries. Our innovative engineering and product development solutions inspire safety, reliability, and performance.

Technology and product development teams operate within L.B. Foster business units from three countries: the U.S., Canada, and the U.K. These teams are aligned internally to realize synergies among them and also are tightly integrated into our commercial teams for successful identification of market needs and effective commercialization of innovative technology and products. We have state-of-the-art development laboratories and facilities which host our teams of engineers, specialists in electrical hardware and software design, mechanical design and analysis, and chemistry, among others.



Continuously welded rail (CWR): L.B. Foster and our key partner, offers an innovative approach to lowering the cost of ownership.

Offering rail lengths that are rolled 4x longer than industry average lengths, and with 78% fewer welds for the same length of track, results in a safer and smoother track that requires less maintenance at a lower installed cost. Additionally, we deliver CWR on our rail cars to customer sites, supplying a unique combination of product and service resulting in faster unloads and installs.



“Specific to rail technologies, we have leading R&D and engineering centers. Our laboratories, test equipment, and protocols are aligned with industry and ISO standards to facilitate product development and testing. Our technology and product development teams work with an array of external collaborators from academic institutions to supply chain partners.”

Director of Technology



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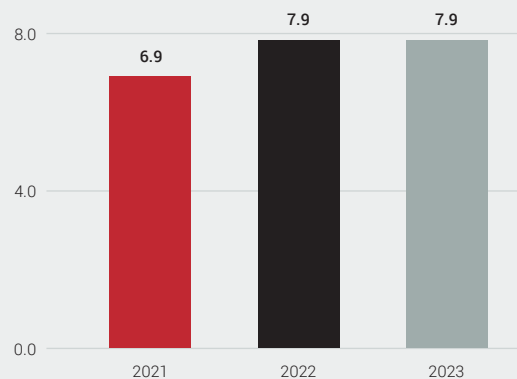
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INVESTMENT IN TECHNOLOGY

Investment in technology funds initiatives to maintain our businesses' competitiveness, drive continuous improvement, increase operational efficiency, and reduces our risk profile. Within those categories include investments in our new product offerings and developing new-to-the-business or new-to-the-industry products and solutions.

Technology Expenditures (\$ millions)



Investment in the technology sector was \$7.9m and includes expenditures in product technology, cloud-based customer solutions, back-office technology platforms, cybersecurity tools, and technology infrastructure focused on driving revenue growth and efficiency. Priorities include product offerings such as friction management and monitoring systems in the Rail segment. This specific example influenced an 11.5% increase in new orders by delivery value for some of the most pressing customer issues such as locomotive fuel efficiency, improved rail operations, track monitoring, and transportation safety.

In this report, we highlight technology spend across L.B. Foster with a focus on R&D for product and services that anticipate customer demand, provide energy efficiency, optimize the use of technology, or substitute materials to minimize adverse social or environmental effects. These are summarized in new product develop and products with a sustainability benefit.

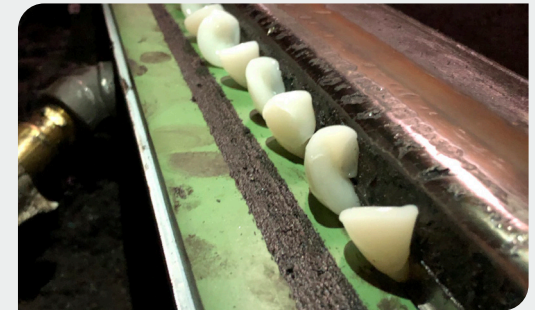
NEW PRODUCT DEVELOPMENT

Across our businesses, we develop solutions and products in an evolving global marketplace, concerns regarding climate, technology and supply disruptions, addressing increasing population, and urbanization.

Our product development is facilitated by a cross-functional gated process to realize market value for both our customers and ourselves. Our customer-facing sales and commercial teams identify market needs. Our engineering and product teams work together to develop products and solutions to address those needs. Our product launches can be newly developed, improved revisions to current offerings, or deployed in new or adjacent markets where our offerings supply benefits.

L.B. Foster selectively uses all forms of intellectual property protection including trade secrets, patents, copyrights, and trademarks. We own and maintain more than 140 domestic and international patents and have many other patent applications globally that are in various stages of the patenting process in different jurisdictions.

Average
technology spending
in 2023 and 2022
increased over 14%
versus 2021.



L.B. Foster's MC-5 Gauge Face Applicator Bar: Next Generation Product Release

L.B. Foster has released an improved, next generation MC-5 Gauge Face (GF) Applicator Bar as a replacement to the widely used MC-4 GF applicator bar.

Combined with L.B. Foster's patented GREASEGUIDE™, MC-5 bars maximize grease pick-up and carry-down while reducing waste.

Key Design Features:

- New manifold design eliminates port-to-port output variability. By equalizing the flow of grease to each dispensing port, bar clogging is significantly reduced and the optimal application of grease to the rail gauge side surface is maintained.
- Weight reduced by approximately 40% per bar assembly, for a per bar saving of approximately 6.5 lbs. (3kgs).
- New aluminum manifolds eliminate corrosion which can affect bar performance.
- 'Plug-and-play' replacement for existing MC-4 applicator bar installations.

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PRODUCTS HAVING SUSTAINABILITY BENEFIT

Among our core values of safety, teamwork, and innovation, we aim to create more advanced solutions around sustainability. Many of our solutions have market value by aligning our product attributes with the customer's sustainability interests. In 2023, a majority of our revenue was generated from technologies and products & systems that had an environmental or social benefit for our customers. Examples of product applications and their value can be categorized as follows:

Business Unit	Application of Products & Services	Sustainability Benefit
Rail, Technologies, & Services	<ul style="list-style-type: none"> • Wheel Condition & Safety Monitoring • Wheel/Rail Friction Management products and services • Wayfinding & Information Exchange • Railroad track infrastructure products used in passenger rail transit systems 	<ul style="list-style-type: none"> • Tracking train wheel condition performance for operational efficiency, safety, and cost savings • Fuel efficiency & reduced carbon footprint • Travel efficiency, and safety alerts about travel conditions for passengers • Noise reduction in urban areas
Precast Concrete	<ul style="list-style-type: none"> • Highly customized, multifunctional buildings • Above and below ground infrastructure products 	<ul style="list-style-type: none"> • Resilience & durability • Speed of site construction • Reduced carbon footprint
Steel Products & Measurement	<ul style="list-style-type: none"> • Steel fabrication solutions for bridges • Commercial water well irrigation systems • Transportation and measurement of liquids and gas within steel pipe metering systems 	<ul style="list-style-type: none"> • Recycled content • Corrosion protection & durability • Speed of site construction • Accessing & delivering water • Solutions for a transitioning energy economy

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L.B. Foster delivered 40 rechargeable, mobile digital customer information totems in Terminals 2 -5 of London's Heathrow Airport and around the Central Bus Station.

Inform Totems provide efficient communication to airport customers with information about public health, security, FAQs, and other relevant Heathrow information, including train departure and arrival times, onward journey planning and local walking routes, inside and outside the terminals.

Heathrow Airport will be trialing British Sign Language messaging with a 'Welcome to Heathrow' video.



The 447 feet long Fern Hollow bridge received national attention when it collapsed, without significant personal injury, on the day President Biden arrived in Pittsburgh, PA to discuss investments in infrastructure.

Manufactured at our Bedford, PA plant, 14,300 square feet of stay-in-place metal deck forms were delivered for the reconstruction project. These forms were selected due to speed of design and on-site construction, as well as being vital material for the circular economy.

The bridge collapsed January 28, 2022, and was reopened to traffic on December 22, 2022, substantially faster than a typical construction schedule of up to three years.



L.B. Foster's Insight Rockfall Monitoring is a revolutionary system that actively monitors the right of way and protects rolling stock in rockfall prone areas.

This safety critical system comprises multiple light detection and ranging units known as LiDAR. If a rock of size sufficient to pose a threat to a train is detected on the track, LiDAR technology remotely alerts controllers about the size and location of the obstruction without an engineer ever needing to visit site.

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TRADEMARKS

In addition to the intellectual property and patents produced by our R&D and innovation efforts, we control the branding rights of various trademarks. We manage thirty-three trademarks in eleven countries and regions. These trademarks enhance recognition and brand awareness with our customers and have an intangible value in the markets we serve.

ACQUISITIONS

Where market opportunities or technologies exist but are external to our Company, identifying acquisitions with accretive value to L.B. Foster is a strategy designed to enhance our innovative offerings or allow us to enter new market sectors. Revenue from recent acquisitions totaled approximately \$38M in 2023.

In 2022, L.B. Foster acquired three companies with innovative technologies.



Skratz services include design, prototyping and proof of concept, hardware & software, logistics & warehousing, installation, maintenance, Content Management, and managed monitoring. Prior to the acquisition, L.B. Foster has collaborated with Skratz on digital solutions for the retail sector, including the first digital signage application using British Sign Language interpreters.



Intelligent Video ("IV") is a developer of high-quality surveillance, security, and safety solutions. IV's innovation enhances our Remote Condition Monitoring and Inform Visual Communications solutions, among others.



With the acquisition of VanHooseCo, L.B. Foster gained access to infrastructure and building construction projects in the southeastern United States. The innovative design of EnviroKeeper® water retention and management and Envirocast® pre-insulated wall systems adds to our portfolio of products offering sustainability market value.